

**MINUTES  
OF THE WORK SESSION OF THE  
EDINA CITY COUNCIL  
HELD AT CITY HALL  
JANUARY 18, 2011  
5:02 P.M.**

Mayor Hovland called the meeting to order at 5:02 p.m. in the Community Room of City Hall. Answering rollcall were Members Brindle, Swenson and Mayor Hovland. Member Bennett entered the meeting at 5:05 p.m. Member Sprague entered the meeting at 5:15 p.m.

Staff attending the meeting included: Scott Neal, City Manager; Ceil Smith, Assistant to the City Manager; Cary Teague, Planning Director; Roger Knutson, City Attorney; Wayne Houle, City Engineer/Public Works Director; Jennifer Bennerotte, Director of Communications and Marketing; Mark Ruff, Ehlers & Associates Financial Consultant and Debra Mangen, City Clerk.

Mayor Hovland stated the purpose of the meeting was to review some planning items related to the Waters proposed senior housing project and a request for a restated easement and parking ramp agreement for 5013, 5017 and 5125 Vernon Avenue.

City Manager Neal explained Shelter Corporation was requesting that the City Council consider two items regarding their approved project to build the 139-unit senior housing project. He asked Planning Director Teague to review the items to be discussed for the Waters. Mr. Teague noted the following two items were up for discussion:

- 1) Final Plat Park Land Dedication Fee Analysis. Shelter Corporation had agreed to pay the calculated fee of \$695,000 less credit of \$144,100 described as follows:
  - a. Olinger easement from Colonial Church \$81,600;
  - b. 33 trees – Black Hill Spruce planted on public land \$45,000
  - c. Senior Walking Trail around pond, \$17,500
- 2) Tax Increment Financing (TIF). Shelter Corporation requested in order to provide 28 units of affordable housing which would aid the City in achieving its Met Council established goal of providing between 128 -212 affordable units between 2011 and 2020.

The Council discussed the parkland dedication reduction request of Shelter Corporation. Concerns were expressed with the amount of reductions, whether or not the City wanted or needed a trail easement, the proposed trees planted on the public land were of dubious benefit to the City, and the proposed trail would be located on the proponent's property. The consensus of the Council relative to the parkland deductions was that they were not willing to provide the-credits requested and that the entire amount of \$695,000 needed to be paid.

Council also discussed the request for TIF assistance. It was pointed out that affordable housing was a desirable social goal of the Council, but concern was expressed with the potential taxpayer subsidy of the project, whether the same amount spent elsewhere could help a greater number of people, and potential risk to the City of Edina. It was determined this matter would be continued for further Council discussion.

The Council reviewed with Darcy Winter, DE Winters & Associate, representing Jerry's Enterprises and Debra Paige, Attorney for Jerry's Enterprises, the requested changes to the easement and parking agreement on the property surrounding the Jerry's Hardware Store and the mini shopping mall where the Edina Liquor Store was located. Staff reviewed requested changes to the easement, the request for dedicated parking and the proposed parking ramp agreement changes. Mr. Neal pointed out as owner of the Edina Liquor Store, the City had a property owners interest in the subject property.

**Minutes – Work Session/Edina City Council/January 18, 2011**

Ms. Winters and Ms. Paige reviewed in detail the request made on behalf of Jerry's Enterprises which would allow a Walgreens Pharmacy to replace the existing Jerry's Hardware Store. Following the discussion of the Council, staff, Ms. Winters and Ms. Paige, Council members expressed their concerns and consensus was that the concessions asked were more than the HRA would be willing to extend without further consideration of all the implications with regard to traffic circulation, loading docks, parking and maintenance.

Mayor Hovland adjourned the meeting at 6:55 p.m.

Respectfully submitted,

---

Debra A. Mangen, City Clerk

Minutes approved by Edina City Council, February 1, 2011

---

James B. Hovland, Mayor